

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 6860

Petitions of Vermont Electric Power Company, Inc.)
(VELCO) and Green Mountain Power Corporation)
(GMP) for a certificate of public good, pursuant to)
30 V.S.A. Section 248, authorizing VELCO to)
construct the so-called Northwest Vermont Reliability)
Project, said project to include: (1) upgrades at 12)
existing VELCO and GMP substations located in)
Charlotte, Essex, Hartford, New Haven, North)
Ferrisburgh, Poultney, Shelburne, South Burlington,)
Vergennes, West Rutland, Williamstown, and)
Williston, Vermont; (2) the construction of a new 345)
kV transmission line from West Rutland to New)
Haven; (3) the reconstruction of a portion of a 34.5)
kV and 46 kV transmission line from New Haven to)
South Burlington; and (4) the reconductoring of a 115)
kV transmission line from Williamstown to Barre,)
Vermont –)

Order entered: 6/9/2006

ORDER RE: APPROVAL OF GRANITE SUBSTATION PLANS

On January 28, 2005, the Vermont Public Service Board ("Board") issued an Order and Certificate of Public Good ("CPG") approving, with modifications and conditions, the Northwest Reliability Project proposed by Vermont Electric Power Company, Inc. ("VELCO") and Green Mountain Power Corporation ("GMP"). A condition of the January 28 Order and CPG stated:

Petitioners shall file, for the Board's approval, final construction plans for the 345 kV line, 115 kV line, and the substation upgrades, concurrent with plans for aesthetic and environmental mitigation, as required by the post-certification process described in the Order. Petitioners may commence construction only after receiving approval for such plans, and receipt of all necessary permits.

In today's Order, the Board approves the final construction and clearing plans for the Granite substation. Therefore, as the January 28 Order provides, VELCO may commence

construction of the Granite substation if it has received all necessary permits, and subject to the additional conditions set forth herein.

Construction Plans

On May 17, 2006, VELCO filed with the Board the Granite substation One-Line Diagram, General Arrangement and Lighting Plan, Aesthetic Mitigation Landscaping Plans, Grading Plan, Elevation Plans, and Building Elevations. On May 22, 2006, VELCO filed a letter with the Board seeking an extension, until August 22, 2006, for submitting a System Stability Study for the 115 kV line. VELCO's letter stated that "the System Stability Study is not ready for final submission to the Board as the system stability analysis will be completed as part of the system stability analysis to be performed for the Granite substation." On May 24, 2006, the Board required VELCO to file an explanation of why it should be allowed to commence construction at the Granite substation prior to completion of the system stability analysis for that substation.

On May 31, 2006, comments were received by the Vermont Department of Public Service ("Department"). With respect to the system stability analysis, the Department stated:

After consideration of this issue, the Department's engineering division believes that even in the unlikely event that the stability study uncovered stability issues, the most serious consequence would be a requirement to modify certain control settings. There would be no impact on equipment specifications or the physical design of the installation. Therefore, the Department does not believe that the outstanding stability study is reason to delay construction of the facility and recommends that the Board allow construction to move forward.

On May 31, 2006, VELCO filed a letter stating that:

[the] further system stability analysis to be completed this August deals with revised studies VELCO must file with ISO-New England. In 2002, when VELCO originally submitted its Section 18.4 application with ISO-New England (approval to construct), the Granite reactive device had not been selected. Now that it has been selected, VELCO must re-submit with ISO-New England a revised application to install the synchronous condensers as the selected dynamic reactive power device. VELCO has already reviewed the selection of the synchronous condensers at Granite with ISO-New England and both VELCO and ISO-New England concur that the installation of the synchronous condensers will not have an adverse impact upon system performance. The filing of the stability analysis is a procedural requirement and should not be interpreted by this Board as a reason to withhold approval to construct at Granite.

Based upon the above comments from the Department and VELCO, we will allow site preparation for and construction of the Granite substation prior to the filing of the revised system stability analysis. As part of VELCO's August 22, 2006, filing regarding the system stability analysis, VELCO shall explicitly state whether the results of the system stability analysis require any changes to the design of the Granite substation.

VELCO's May 31 filing also included a revised landscape mitigation plan which indicates crabapple trees to be planted on the east side of Baptist Street. In addition, in its May 31 filing, VELCO stated that the Lençons, who purchased the Gagnon house, requested that the proposed stockade fence on the berm be extended. VELCO's landscape architect advised that existing and proposed trees would provide adequate mitigation and that extension of the fence is not necessary or desirable when compared to the natural screening proposed.

The Department's May 31 filing also states that its aesthetic consultant believes that VELCO's proposed plans show sufficient screening retained to buffer the Dexter residence, and that the plantings proposed would provide sufficient mitigation for the former Gagnon residence. The Department's consultant concurs with VELCO that extension of stockade fence would not provide sufficient screening, and would require clearing of existing vegetation that provides necessary screening.

We will approve VELCO's Final Landscape Mitigation Plan filed on May 31, 2006, and will not approve the landscape mitigation plan filed on May 17, 2006. We will rule on the request for extension of the stockade fence, and any other additional aesthetic mitigation issues, subsequent to the post-construction site visit.

Permits and Approvals

On June 2, 2005, VELCO filed a schedule for post-CPG NRP design, permit, and mitigation filings. That schedule indicated that the following permits or approvals were to be obtained from entities other than the Board for the Granite substation: Erosion Prevention & Sedimentation Control Plan ("EPSCP"); Water Supply and Wastewater Permit; Army Corps of Engineers Permit; and NPDES Stormwater Discharge Permit. VELCO has filed with the Board and the parties all permits it identified as necessary for the Granite substation in its June 2, 2005, filing. None of the permits appear to require any changes to the design of the Granite substation.

No comments on any of VELCO's permit filings for the Granite substation were received within the period established by the Board.

Pre- and Post-Construction Noise Studies

A condition of the January 28 Order and CPG required that: "Petitioners shall conduct pre- and post-construction noise measurements at all substations and file the results with the Board and affected parties." VELCO has previously filed a pre-construction noise study for the Granite substation. VELCO's June 2, 2005, filing specifies that a post-construction noise study for the Granite substation will be conducted "Fourth Quarter '05." We will require VELCO to conduct a post-construction noise study once construction is complete.

Conclusion

Based upon the above, VELCO's construction plans filed with the Board on May 17, 2006, are approved, except the May 17 Aesthetic Mitigation Landscaping Plans are not approved. The May 31 Final Landscape Mitigation Plan is approved. VELCO may begin site preparation for and construction of the Granite substation, in accordance with the approved plans and subject to the following conditions:

1. Prior to commencement of site preparation for and construction of the Granite substation, VELCO shall inform the Board only if any of the following are applicable:
 - a. Any of the permits addressed in this Order require any changes to the design of the Granite substation.
 - b. Any additional permits or approvals, other than those addressed in this Order, are required for the Granite substation.

If 1.a. and 1.b. are both inapplicable, VELCO may begin site preparation for and construction of the Granite substation without any further notification to the Board.

2. Within 30 days of the completion of construction of the Granite substation, including all landscaping, aesthetic mitigation, and any supplemental buffer plantings, VELCO shall notify the Board of the completion of construction. The Board will schedule a post-construction site visit and may require additional aesthetic mitigation, if determined to be necessary.

3. Within 30 days of the completion of construction of the Granite substation, including all landscaping, aesthetic mitigation, and any supplemental buffer plantings, VELCO shall file a

plan, to be approved by the Board, for conducting a post-construction noise study at the Granite substation.

4. As part of VELCO's August 22, 2006, filing regarding the system stability analysis, VELCO shall explicitly state whether the results of the system stability analysis require any changes to the design of the Granite substation.

SO ORDERED.

Dated at Montpelier, Vermont, this 9th day of June, 2006.

_____)	
)	PUBLIC SERVICE
)	
<u>s/David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: June 9, 2006

ATTEST: s/Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us)